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14 UNITED STATES DISTRICT COURT
15 FOR THE DISTRICT OF NEVADA

16 IN RE RINO INTERNATIONAL) Lead Case No. 2:10-cv-02209-MMD-GWF
17 CORPORATION DERIVATIVE) (Consolidated with case no. 2:10-cv-02244-
18 LITIGATION) KJD-DWF)

19 This Document Relates To:)

20 ALL ACTIONS)

21 **[PROPOSED] ORDER PRELIMINARILY APPROVING**
22 **DERIVATIVE SETTLEMENT AND PROVIDING FOR NOTICE**

23 WHEREAS, the Parties to the above-captioned consolidated shareholder derivative
24 actions (the "Nevada Federal Action") have made an application, pursuant to Federal Rule of
25 Civil Procedure 23.1, for an order: (i) preliminarily approving the Settlement of the Nevada
26 Federal Action, in accordance with the Stipulation and Agreement of Settlement dated
27 November 28, 2012 (the "Stipulation"), which, together with the exhibits annexed thereto, sets
28 forth the terms and conditions for the proposed Settlement and dismissal of the Nevada Federal
Action with prejudice, upon the terms and conditions set forth therein; and (ii) approving the
form and content of the Notice to Current RINO Shareholders (the "Notice") for publication in
Investor's Business Daily;

1 WHEREAS, all capitalized terms contained herein shall have the same meanings as set
2 forth in the Stipulation (in addition to those capitalized terms defined herein); and

3 WHEREAS, the Court has read and considered the Stipulation and the exhibits annexed
4 thereto.

5 NOW THEREFORE, IT IS HEREBY ORDERED:

6 1. The Court does hereby preliminarily approve, subject to further consideration at
7 the Settlement Hearing described below, the Stipulation and the Settlement set forth therein,
8 including the terms and conditions for settlement and dismissal with prejudice of the Nevada
9 Federal Action.
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11 2. A hearing (the "Settlement Hearing") shall be held before this Court on
12 July 22, 2013, ~~2012~~ at 1:30 p. m. to determine: (i) whether the terms and conditions of the
13 Settlement set forth in the Stipulation are fair, reasonable, and adequate to RINO and Current
14 RINO Shareholders and should be finally approved by the Court; (ii) whether a Final Order and
15 Judgment approving the Settlement, as provided for in paragraph 1.2 of the Stipulation and
16 attached thereto as Exhibit C, should be entered; and (iii) whether Plaintiffs' Counsel's agreed-to
17 Fee Award should be finally approved.
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20 3. The Court approves, as to form and content, the Notice attached as Exhibit A to
21 the Stipulation and for convenience annexed as Exhibit A hereto, and finds that the publication
22 of such Notice substantially in the manner and form set forth in this Order meets the
23 requirements of Federal Rule of Civil Procedure 23.1 and due process, and is the best notice
24 practicable under the circumstances and shall constitute due and sufficient notice to all Persons
25 entitled thereto.
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27 4. Within ten (10) business days of the Court's entry of the Preliminary Approval
28 Order, RINO shall cause the Notice to be published one time in *Investor's Business Daily*.

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2 5. All papers in support of the Settlement, the Fee Award, and the Incentive Awards
3 shall be filed with the Court and served at least twenty-eight (28) days prior to the Settlement
4 Hearing and any reply papers shall be filed with the Court at least seven (7) days prior to the
5 Settlement Hearing.
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7 6. Any Current RINO Shareholder may object and/or appear and show cause, if he,
8 she, or it has any concern, why the Settlement should not be approved as fair, reasonable, and
9 adequate, or why the Final Order and Judgment should not be entered thereon, or why the Fee
10 Award or Incentive Awards should not be approved; provided, however, unless otherwise
11 ordered by the Court, no Current RINO Shareholder shall be heard or entitled to contest the
12 approval of the terms and conditions of the Settlement, or, if approved, the Final Order and
13 Judgment to be entered thereon approving the same, or the Fee Award, unless that shareholder
14 has, *at least fourteen (14) business days prior to the Settlement Hearing*: (1) filed with the
15 Clerk of the Court a written objection to the Settlement setting forth: (a) the nature of the
16 objection; (b) proof of ownership of RINO common stock through the date of the Settlement
17 Hearing, including the number of shares of RINO common stock and the date of purchase; and
18 (c) any documentation in support of such objection; and (2) if a Current RINO Shareholder
19 intends to appear and requests to be heard at the Settlement Hearing, such shareholder must
20 have, in addition to the requirements of (1) above, filed with the Clerk of the Court: (a) a written
21 notice of such shareholder's intention to appear; (b) a statement that indicates the basis for such
22 appearance; and (c) the identities of any witnesses the shareholder intends to call at the
23 Settlement Hearing and a statement as to the subjects of their testimony. If a Current RINO
24 Shareholder files a written objection and/or written notice of intent to appear, such shareholder
25 must also simultaneously serve copies of such notice, proof, statement, and documentation,
26 together with copies of any other papers or briefs such shareholder files with the Court (either by
27 hand delivery or by first class mail) upon each of the following:
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1 behalf of RINO, any action or proceeding in any court or tribunal asserting any of Plaintiffs'
2 Released Claims.

3 11. Neither the Stipulation (including any exhibits attached thereto) nor the
4 Settlement, nor any act performed or document executed pursuant to or in furtherance of the
5 Stipulation or the Settlement: (a) is or may be deemed to be or may be offered, attempted to be
6 offered or used in any way by the Parties as a presumption, a concession or an admission of, or
7 evidence of, the validity of any of Plaintiffs' Released Claims, or of any fault, wrongdoing or
8 liability of the Individual Defendants or RINO, or the validity of Plaintiffs' Released Claims; or
9 (b) is intended to be offered or received as evidence or used by any other Person in any other
10 action or proceedings, whether civil, criminal, or administrative agency, or other tribunal. The
11 Parties, Plaintiffs' Counsel, Defendants' Counsel, Defendants' Released Persons and Plaintiffs'
12 Released Persons may file the Stipulation and/or the Final Order and Judgment in any action that
13 may be brought against them in order to support a defense or counterclaim based on principles of
14 *res judicata*, collateral estoppel, release, good-faith settlement, judgment bar or reduction, or any
15 other theory of claim preclusion or issue preclusion or similar defense or counterclaim.
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17 12. The Court reserves the right to adjourn the date of the Settlement Hearing or
18 modify any other dates set forth herein without further notice to Current RINO Shareholders, and
19 retains jurisdiction to consider all further applications arising out of or connected with the
20 Settlement. The Court may approve the Settlement and any of its terms, with such modifications
21 as may be agreed to by the Parties, if appropriate, without further notice to Current RINO
22 Shareholders.
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1 IT IS SO ORDERED.

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3 DATED: April 30, 2013



4 HONORABLE MIRANDA M. DU
5 UNITED STATES DISTRICT JUDGE
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